

BUDGET COUNCIL PROTOCOL

1. Legal Requirements

- 1.1 The requirements of relevant legislation, particularly the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) (referred to in this Protocol as "the Regulations") must be complied with.
- 1.2 The Regulations require the budget to be presented to Full Council by way of a recommendation from the Cabinet.
- 1.3 The budget proposal may be amended, see section 3. While an amendment can be quite wide ranging it is not permissible for a Member to introduce a different motion recommending a different budget. This would be contrary to the Regulations which require that the budget be recommended to the Council by the Cabinet.
- 1.4 Under Section 25 of the Local Government Act 2003 the Deputy Chief Executive, fulfilling the role of Chief Finance Officer, is under a statutory duty to report on the robustness of the budget estimates and the adequacy of the proposed financial reserves ("the Section 25 report") before the budget decision is taken. The Council must have regard to the Deputy Chief Executive's report before reaching a decision. This will apply to amendments as outlined in section 3.
- 1.5 A flowchart illustrating the procedure set out below is included as Annex A to this protocol.

2. Procedure

- 2.1 The procedure at Budget Council is governed by the Constitution.
- 2.2 The Cabinet recommendation on the budget will be proposed by the Cabinet Member with responsibility for Finance or by another Member of the Cabinet.
- 2.3 The budget proposer will introduce the budget (no time limit).
- 2.4 Members may then ask questions of the Cabinet Member with responsibility for Finance (who may refer them to the Chief Finance Officer or relevant Cabinet Member when appropriate). (N.B. there is no limit on the number of questions members may raise).
- 2.5 The Chair will then ask the largest opposition group if they wish to make a statement, which can include tabling but not moving any proposed amendment to the Cabinet's budget (no time limit).
- 2.6 The Chair will then ask the other opposition groups (in order of size) if they wish to make a statement, which can include tabling but not moving any proposed amendment to the Cabinet's budget (no time limit).

3. Amendments

- 3.1 Amendments to the budget motion may have significant implications for the calculations used in producing the budget recommendation and for the level of Council Tax and/or the Council's reserves. Therefore, any Member wishing to move an amendment which affects any of the proposals in the budget recommendation to any material extent should provide a copy of the amendment to the Deputy Chief Executive as early as possible before the meeting, preferably at least 2 days before the meeting, but by no later than 3.00 p.m. on the day before the Council meeting.
- 3.2 The Deputy Chief Executive, may need to discuss any proposed amendment with Officers and will need to show the proposed amendment to the Monitoring Officer but otherwise, unless the proposing group gives their express authority to share the amendment with the administration, the Deputy Chief Executive guarantees absolute confidentiality in relation to any amendment received. The Monitoring Officer will also maintain this confidentiality.
- 3.3 The Section 25 report provisions apply also to any amendments which affect the estimates. The Section 25 report provisions do not, however, apply to an amendment which does not affect the estimates, such as an amendment to refer the matter back to the Cabinet for reconsideration. It should, however, be borne in mind that any resolution of the Council to refer the budget back to the Cabinet would result in Council being unable to set the budget. The budget as a whole would be returned to Cabinet for further consideration and come back to Council for a decision at a later date which may have cost implications for the Council in that it may cause a delay in the Council Tax billing process.
- 3.4 If an amendment to refer a recommendation back to the Cabinet is carried then it is likely that a special meeting of the Cabinet will be called early in the week following the Budget Council meeting, with the matter then being reported back to a special Full Council meeting later that week.
- 3.5 The largest opposition group will have the first opportunity to present budget amendments. The largest opposition group will have 10 minutes to present the amendment(s). The Secunder of the amendment will have 5 minutes to speak and may reserve their right to speak until later.
- 3.6 The other opposition groups, in order of size, will then have the opportunity to present budget amendments. The proposer will have 10 minutes to present the amendment(s). The Secunder of the amendment will have 5 minutes to speak and may reserve their right to speak until later.
- 3.7 Any Independent Members will then have 10 minutes to present amendments. The Secunder of the amendment will have 5 minutes to speak and may reserve their right to speak until later.
- 3.8 After all amendments have been presented, there will be the opportunity for points of clarification to be raised and responses given.

- 3.9 Once points of clarification have been dealt with there will then be a 20 minute adjournment of Council to allow Groups 20 minutes to consider the amendments.
- 3.10 The Cabinet Member with responsibility for Finance, or other Cabinet Member if they introduced the budget proposals, will address Council advising of any budget amendments which have been accepted by the Cabinet.
- 3.11 The amendments not accepted by the Cabinet will then be debated in the order in which they were originally presented to Council.
- 3.12 For any amendments which are not accepted, the Proposers of the amendments have the right to speak for 5 minutes each to sum up the debate.
- 3.13 The Cabinet Member with responsibility for Finance, or other Cabinet Member if they introduced the budget proposals, has the final right of response before a recorded vote is taken on each amendment (10 minutes).
- 4. Return to the Substantive Budget Debate**
- 4.1 Once all of the amendments have been dealt with the final proposal will be debated and voted upon.
- 4.2 Upon conclusion of the debate, the Cabinet Member with responsibility for Finance will have the final right of reply (10 mins).
- 4.3 A recorded vote will be taken.



CHELTENHAM BOROUGH COUNCIL

BUDGET SETTING PROCESS



